



AMERICAN OBSERVER

News and Issues—With Pros and Cons

VOLUME 28, NUMBER 17

WASHINGTON, D. C.

JANUARY 19, 1959

Here and Abroad

People—Places—Events

AAA OR ALAS?

The new state of Alaska, which was officially proclaimed a member of the Union by the President early this month, has an unusual problem. It concerns the abbreviation of its name. *Ala.* won't do because it's the short form for Alabama. Alaskans don't like *Alas.*, because it means pity or sorrow. Hence, *Aaa.* has been suggested as Alaska's abbreviation.

GOOD VOTER TURNOUT

Speaking of Alaska, the new state had a turnout of better than 75% of its eligible voters in its first election since joining the Union. More than 50,000 Alaskans went to the polls last November. This is nearly double the number who voted in 1956 when the big state was still a U. S. territory.

NEW PENNIES

Perhaps you have already seen the new pennies that were first minted earlier this month. They have a picture of the Lincoln Memorial on one side, while the portrait of Abraham Lincoln remains unchanged on the other. The new penny design was made to help celebrate the 1959 Lincoln Sesquicentennial Year.

FEWER ENGINEERS

American educators are worried over the drop in the number of students entering our engineering schools. At a time when Russia is already training about twice as many engineers as we are, the 1958-1959 enrollments in engineering courses have declined by some 5%.

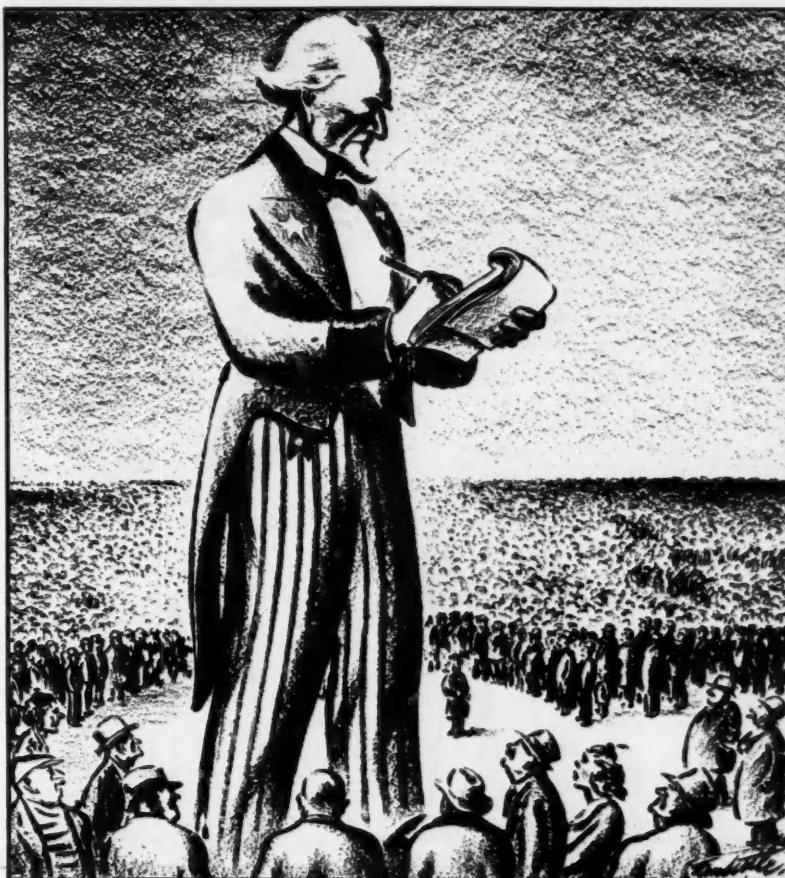
RED STOOGES REBEL

Moscow is finding that its communist stooges abroad don't always carry out Soviet orders. Reds in India, for instance, have recently praised Yugoslavia's Marshal Tito even though they were told by Moscow to wage a campaign of hatred against him. The Indian communists have also asked their country to invite Russian writer Boris Pasternak to visit that land. Pasternak, as we know, has been strongly denounced by Soviet officials for his critical writings on the Red system of life.

ARGENTINE VISITOR

Argentina's President Arturo Frondizi is coming to the United States for a 2-week visit tomorrow, January 20. He will drop in to see President Eisenhower and then tour a number of American cities.

The Argentine leader's visit is a sign of friendship between his country and the United States. Not long ago, our government joined with international and private banks to lend Argentina \$329,000,000 to help bolster her economy. (See page 4 story on that nation's economic ills.)



IN 1960, the Census Bureau will make a new count of U. S. population as is required every 10 years by the Constitution. First was made in 1790.

America's Fast Growth

Big Changes Result from Swift Expansion of the Populations In Our Own Country and Many Other Lands

IN 1960, federal census takers will make an official count of America's population. As required in our Constitution, the task is performed once every 10 years.

The agency that will handle this undertaking is the Census Bureau—a branch of the U. S. Department of Commerce. Besides making its full-scale count at 10-year intervals, the Census Bureau conducts many other surveys regarding the American people. It issues frequent estimates on the population and growth of each state.

Because of such estimates, the figures announced after the official census of 1960 will not come as a complete surprise. At any given time, much information is available on how rapidly this country is growing.

At present, for instance, the population of our 49 states plus the District of Columbia is approaching 176,000,000. It is expanding at a rate of roughly 3,000,000 per year—about as many people as live in Kentucky or Maryland.

Our nation has gained 100,000,000 inhabitants since 1900. In other words, it supports about 2½ times as many people now as at the beginning of this century. Unless there is some great disaster such as an atomic war, it is estimated that the U. S. population will range between

202,000,000 and 220,000,000 by 1970.

Swift growth is one of the most striking and important trends in America today. This growth exerts influence on every phase of our national life. It creates a need for greater and greater quantities of practically everything. There are differences of opinion on whether our nation, in the long run, will be stronger or weaker as a result. But one thing is certain: Vital problems, offering great challenges, are presented.

Is a similar population growth occurring in many other lands?

Yes. The populations in Latin America, Africa, and much of Asia are often described as "exploding."

The world—according to recent estimates—now has more than 2.8 billion people, and the number is increasing by about 47,000,000 each year. This annual growth approximates the entire population of France or Italy.

At the time of Christ, about 2,000 years ago, the world may have had 350,000,000 men, women, and children. Scientists doubt that there were more than 500,000,000 as recently as 1700. The last 250 years have seen the earth's population multiply nearly sixfold. There are likely

(Concluded on page 2)

West European Trade Disputes

Six of Region's Nations Differ With 11 Others on Ways Of Doing Business

SEVENTEEN nations of western Europe are making an effort to settle differences over how to do business with one another. They have run into difficulty after 11 years of economic cooperation. A conference which began in Paris last Thursday was a first step toward ironing out these problems, and other discussions were to follow.

Continued bickering among the 17 could have serious consequences for European defenses against communist Russia, and also for the prosperous trade now being carried on by these nations. On the other hand, satisfactory settlement of differences could open the road to greater strength and increased commerce.

Economic cooperation among the 17 lands was brought about in 1948. Then, at U. S. urging, they got together to plan how to help one another. They made plans for putting billions of dollars of American aid to good use in repairing damages suffered during World War II. To do this job, the 17 set up OEEC, Organization for European Economic Cooperation.

OEEC, with its billions of dollars in U. S. help, succeeded. Factories were put to work, production was increased steadily, and the Europeans began to find markets around the world for their new automobiles, ships, machinery, and other goods.

Today, western Europe is past the emergency period. Differences in living standards exist, of course. West Germany, for example, is more prosperous than most of the other countries. The French are enjoying good times, but are going to have to lower living standards in order to solve some serious economic problems. Italy is still not too well off, but is in better shape than in past years. On the whole, it seems fair to say that the 17 cooperating nations have attained economic recovery.

OEEC continues to exist, but the present dispute was caused by a division of the 17 members into 2 groups (see map on page 6).

Six of the 17 countries banded together in a new trade partnership on January 1. They are France, West Germany, Italy, Belgium, the Netherlands, and Luxembourg.

Eleven of the OEEC group were left outside the partnership. They feared that they would be losers as the 6 gave special privileges to one another. These nations are Austria, Britain, Denmark, Greece, Iceland, Ireland, Norway, Portugal, Sweden, Switzerland, and Turkey.

Our nation is concerned over this
(Continued on page 6)

Population Grows

(Concluded from page 1)

to be 6 or 7 billion people by the end of this current century.

During 1958—it is estimated—the population of Red China increased by 15,000,000, that of India by 6,000,000, and that of the Soviet Union by 3,600,000. The Middle East, where productive areas are already crowded, is gaining 4,000,000 people a year. The rate of population growth is about twice as great in that region

must exert all possible effort to avoid waste and to develop new materials.

The world as a whole—with its "exploding" population—is now under great pressure to produce and distribute more food, to seek additional supplies of minerals, and to harness new sources of energy—such as the atom. But the difficulty that remains, even when we make much progress in these and similar fields, is illustrated by what happened in the years 1947 through 1953. World food production increased 8% during that period; but it failed to keep up with population, which rose 11%.

The United States has been experiencing a business boom most of the time since World War II. Occasional declines or "recessions" have been of short duration. In general, economists expect America to remain fairly prosperous, and they cite our mushrooming population as one reason.

So far as the United States is concerned, it can be said that healthy economic conditions and fast population growth have bolstered each other up to now. We gained few people during the depression of the 1930's. The number of marriages declined, and so did the average size of families.

come will need to boost his output. Improved labor-saving machinery is helping him do so.

Today, as is well known, the United States needs more teachers, nurses, scientists, and members of various other professions than are currently available. When the present crop of young people advances into the main working group of our population, shortages of trained persons in numerous vocational fields should be gradually eliminated.

Which U. S. geographic areas have made the biggest gains?

In general, the West has seen the most rapid growth. Between 1950 and 1958, the U. S. population as a whole rose 15%, while the Pacific Coast and Rocky Mountain regions grew at about twice this rate.

In regions other than the West, states that have made an unusually swift growth include Florida, Delaware, Maryland, and Michigan. Also, the Territory of Hawaii shows a comparatively rapid increase.

Our 4 largest states—at present as in 1950—are New York, California, Pennsylvania, and Illinois. Texas holds No. 5 position (having climbed there since the middle of 1957) and Ohio ranks No. 6.

As everyone knows, seats in the U. S. House of Representatives are apportioned among our states according to population. Eventually, they will be redistributed on the basis of population figures from next year's census. States that have grown rapidly will gain some congressmen, while certain others will lose one or more. The first Congress affected by these changes will be the one whose members are chosen in 1962.

What's happening to the relative sizes of our farm and city populations?

From a country whose 1790 population was more than 94% rural, we have become largely a land of city dwellers. Fewer than 17% of our people were on farms in 1950, and by last year the percentage had fallen to 12.

A majority of all Americans now live in "metropolitan areas"—large cities together with suburbs. Such areas have absorbed at least 80% of our population growth since 1950.

The most notable trend within such heavily populated districts is a "flight to the suburbs." Outlying or suburban communities, during recent years, have been growing about 5 or 6 times as rapidly as the central cities.

The average metropolitan area now sprawls over a large cluster of individual cities, towns, and special districts. In certain cases, it extends across state lines. Serious difficulties are thus created.

Major problems, in and around any big city, generally affect the metropolitan area as a whole. But sometimes it is almost impossible for the numerous local governing bodies to cooperate in handling these problems—involving such matters as schools, traffic, slum clearance, sewage disposal, and law enforcement. Throughout the country, ways to meet this difficulty are being sought.

No simple conclusion can be drawn from a study of population growth in our own country and other lands. It is clear, however, that such growth is accompanied by a wide range of new problems and challenges for mankind to face.

—By TOM MYER

OUR GROWING POPULATION

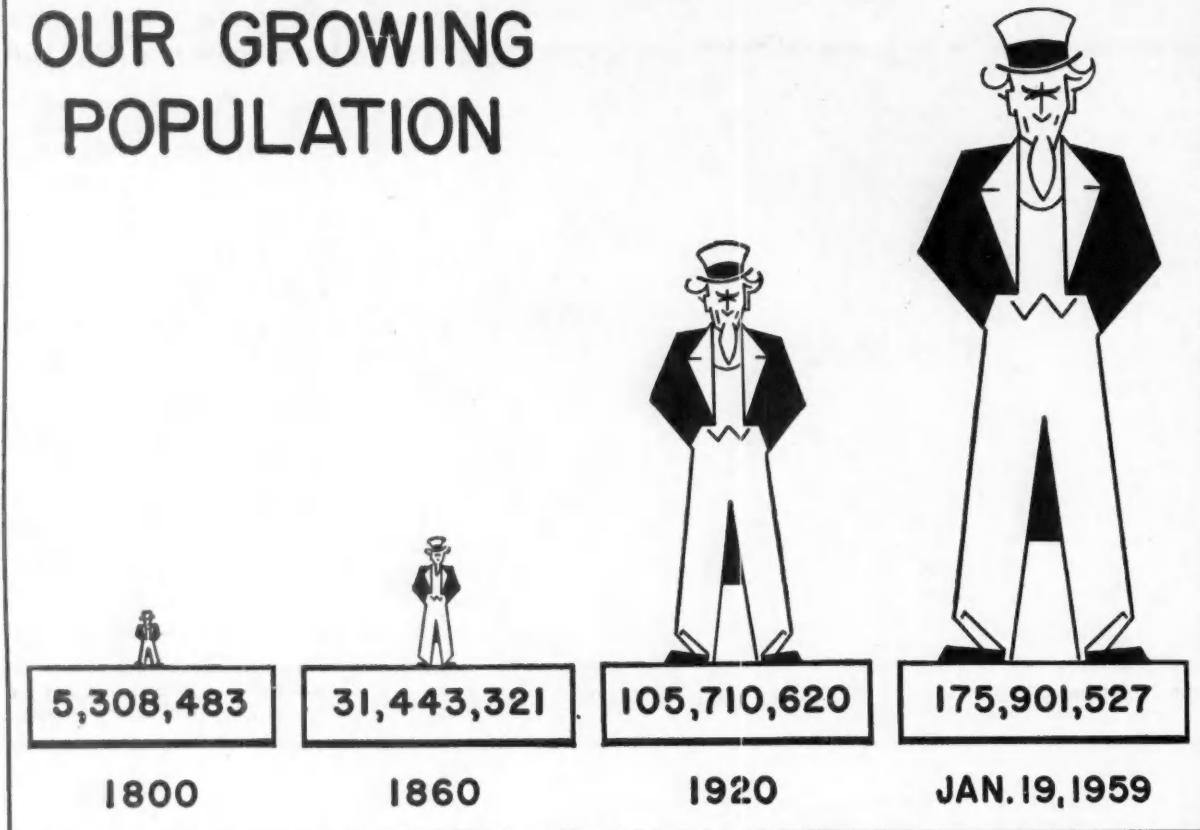


FIGURE FOR 1959 is a carefully calculated estimate of the United States population at 8 a.m. today

as in the United States at present. To a considerable extent, medical progress is responsible for such developments, because it helps more people to live longer. Mexico, for instance, reduced its death rate 43% during a recent 10-year period. By 1980, our southern neighbor is expected to double its present population of about 32,000,000.

Can the world easily provide food and other necessities for its rapidly growing numbers of people?

No—not easily. Most countries, and especially the underdeveloped lands where a large part of the growth occurs, find it almost impossible to keep up with the needs of their expanding populations. Some time ago, a United Nations official said: "Poor people are more numerous today than ever before, because population is skyrocketing in the poorer countries."

The United States, more fortunate than most other nations, easily produces enough goods to support an expanding population. But, even here, difficult problems arise. For instance, various cities find it increasingly hard to obtain enough water.

We consume raw materials at a tremendous rate. America has used up greater quantities of practically every mineral, since the beginning of World War I, than the entire human race consumed in all history prior to that time. If the future needs of our growing numbers are to be met, we

As one scientist commented, "the world was hungrier at the end of this period than at the beginning."

In America, what are some other effects of population growth, besides the great demand on resources?

First, there is less and less "elbow room." Our cities are becoming larger and more congested. In certain big metropolitan districts, the slum areas spread faster than they can be cleared away. Traffic problems are multiplying. Even fresh air is a scarce commodity in some places, as automobiles and industrial plants pour fumes into the atmosphere.

It seems almost impossible for the federal, state, and local governments to keep up with rising demands for improved highways and more airports. The need for schools and hospitals keeps growing.

People who live in the big cities find that they must go farther and farther to reach uncongested vacation areas. With transportation facilities overcrowded in many parts of the nation, travel becomes an ordeal instead of a pleasure. These are among the disadvantages of swift population growth.

On the other hand, by constantly expanding the market for goods and services, population growth helps keep business booming. It provides an increasing demand for homes, furniture and appliances, clothing, toys, and countless other items.

Our increase in the 10 years following 1930 didn't quite reach 9,000,000.

During and after World War II, with people becoming more prosperous and better able to marry and to support large families, the U. S. birth rate took an upward swing. The population increased by more than 19,000,000 in the 1940's, and already has grown by about 25,000,000 since 1950.

As rapid growth continues, what is happening to the relative sizes of the different age groups?

- Because of high birth rates in recent times, the percentage of children and youths has risen. Each year during the last 5, more than 4,000,000 children have been born. This annual number is greater than the entire U. S. population in 1790, when the first census was taken.

- There is a relatively big increase in the numbers of retirement-age people, 65 and over. This is because medical progress has given us a low death rate.

- The smallest increase during recent years has been in the middle group—ages 18 through 64. This group, which makes up a smaller percentage of the population than it did some time ago, is the one that provides most of our active workers and producers. Therefore, if America's ever-growing demands for goods and services are to be met, the average individual worker for some time to

The Story of the Week

Monnet and Spaak Work For "U. S. of Europe"

If plans for a united Europe ever become a reality (see page 1 story), Jean Monnet and Paul-Henri Spaak will deserve a big share of the credit. Monnet of France and Spaak of Belgium have long been leaders of the movement to unite the divided continent.

Monnet, 70, heads a number of citizens' groups that work for a union of the continent. He is also author of the Euratom plan under which certain European lands cooperate in the peaceful development of nuclear energy.

An economist by training, Monnet is a successful businessman in his country. He has also found time to serve his nation on many different overseas missions during the past few decades.

Spaak, 60, is active in a number of groups seeking European cooperation, and he is Secretary-General of NATO. In the latter post, he helps achieve

launched a "belt-tightening" program. Among other things, his government has imposed stiff taxes on certain goods to help keep prices down by discouraging spending, and to make more items available for export. (See page 1 note in "Here and Abroad.")

Charles Halleck Leads Republicans in House

It came as a complete surprise to most political observers when Republican members of the U. S. House of Representatives chose Indiana's hard-hitting Charles Halleck as their floor leader. In making this choice, the GOP turned its back on Representative Joseph Martin, whom we incorrectly listed as floor leader in our January 5 issue. The 74-year-old Martin from Massachusetts had held that post in the past and was widely expected to serve again this year.

Both Halleck and Martin are regarded as supporters of President Eisenhower's policies on Capitol Hill. The chief opposition to Martin came from those Republicans who felt he wasn't as strong a partisan fighter as the GOP needs if it hopes to make a good record for 1960.

Representative Halleck, who will be 58 next August, has been a member of Congress since 1935. He served as House majority floor leader in the 80th and 83rd Congresses, when Martin was Speaker.

Meanwhile, Republican Senator Everett Dirksen of Illinois, who faced stiff opposition from certain members of his party, was chosen Senate minority floor leader as expected.

President's Message on State of the Union

The nation's lawmakers have already opened debate on some proposals made by President Eisenhower in his State of the Union message to Congress about 10 days ago. In his message, the Chief Executive emphasized that we must keep the nation prosperous and militarily strong, while at the same time keeping prices down. Inflation, he warned, is now one of the



NTA PICTURES

"I WAS MONTY'S DOUBLE" is a new movie about Britain's World War II military hero, Viscount Montgomery, played by Clifton James (right). John Mills, another star in the historically based film, is shown at left.

biggest problems before our country.

The White House program includes the following proposals, a number of which are being spelled out in more detail in additional special messages to Congress:

1. Keep total government spending down so that expenditures won't exceed revenues in the coming year.

2. Give the President power to strike out parts of a money bill without vetoing the entire measure as he must now do if he objects to some of the spending provisions of a legislative proposal.

3. Change federal farm programs to reduce government payments to farmers for their surplus crops.

4. Continue our military and economic aid to other nations, and encourage American businessmen to extend overseas loans. In addition, increase our contribution to the World Bank so that more loans can be made to needy countries.

5. Revise our labor-management laws to prevent misuse of workers' funds and to combat corruption in union-business affairs.

6. Strengthen federal civil rights laws.

In addition, the President called for a new commission of prominent Americans to study our long-term needs and how we can best achieve the goals we hope to attain in the years to come.

A True World War II Story Makes Good Film

The year was 1944. The Allies were preparing for an assault on Europe, then held by Nazi German forces. The planned invasion was to be made across the English Channel.

It was at this time that one of the war's greatest deceptions of the enemy was carried out. Actor Clifton James, who bears a striking resemblance to British General "Monty" Montgomery, was sent to North Africa to act as the famous military leader and "re-enact" troops there. This made the Germans think "Monty" was preparing for an invasion from that quarter. The Nazis shifted troops to meet the new "threat," just as it was hoped they would, and many Allied lives were saved when the real invasion came off.

This true story is shown in the film, "I Was Monty's Double." Clifton James plays the part he took in real life. He also acts as General Montgomery in the movie. Other players include John Mills and Cecil Parker.

Expert Thinks Russia Is Only Slightly Ahead

Russia's feat of sending a rocket past the moon into an orbit around the sun doesn't mean the Reds are far ahead of us in the development of missiles and the conquest of space. At most, the Soviets may be 3 to 4 months ahead of us in this field.

So says *New York Times* military analyst Hanson Baldwin. He continues as follows:

Both sides appear to be about even in the development of long-range missiles, though the Reds probably will be slightly ahead of us in the number ready for use this year. In some other types of missiles, we may be ahead of the Russians.

But Moscow does appear to have a clear-cut advantage over us in the field of rocket power, or thrust. Our biggest rocket, the Atlas, has carried



Monnet



Spaak



Halleck



Frondizi

NEWSWORTHY people of the week

close military and economic cooperation among all members of the defense group.

A lawyer by training, Spaak entered Belgian politics early in life. He has held many top posts in his country's government, including that of Premier. He was the first President of the UN General Assembly in 1946. Since then, he has devoted much of his time to forming a union of western Europe.

Frondizi of Argentina Faces Serious Problems

Before Argentina received a loan from us recently, that country was in danger of going bankrupt. Purchases of badly needed foreign goods had all but stopped, and prices at home were shooting up at an alarming rate.

The misrule of dictator Juan Peron, who was overthrown in 1955, was partly responsible for Argentina's economic fix. But certain observers contend that a big share of the blame rests on Argentinians themselves for having lived beyond their means. It is held, for instance, that the land's citizens ate huge quantities of meat instead of selling more of it abroad to earn money required to buy badly needed foreign goods.

President Arturo Frondizi has recognized this problem, and he has



AS IN THE UNITED STATES, Latin American countries require slow speeds for traffic in school zones. Sign here—in San Salvador, capital of El Salvador—limits speed to 15 kilometers (just under 10 miles an hour).

only 168 pounds of instruments into space, as against 796.5 pounds carried by Russia's "Lunik." But we shall soon be able to match the Reds even in rocket thrust. (See page 8 story.)

Nevertheless, Mr. Baldwin warns, we must overcome a serious weakness in our space program if we are to keep up with or pass the Russians in this activity. We must work out a long-range space program—something which even our top officials in this field admit we don't have as yet.

Not all experts agree that we're as close to Russia in missile-rocket development as Mr. Baldwin thinks we are, but his views are widely respected.

A New UN Body Sets Up Shop in Ethiopia

The colorful robes of African tribal leaders, officials in western dress, and the flowing robes of Arab sheiks are mingling with Ethiopians dressed in white cotton jodhpurs in Addis Ababa these days. The capital city of Ethiopia is the scene of a special United Nations meeting attended by delegates of African lands as well as European nations with colonies in Africa.

The purpose of the get-together in Addis Ababa is to help plan Africa's future economic development. A new UN body—the Economic Commission for Africa—is being organized for this purpose. Its headquarters will be in Ethiopia's capital city.

Events Still Unfold In the Cuba Story

Life in Cuba was getting back to normal last week as the new government of President Manuel Urrutia took full control of the island country's affairs.

The old legislature which had worked with the deposed dictator Fulgencio Batista has been dissolved. Other national and local officials of the fallen regime have been replaced with anti-Batista men. Fidel Castro, leader of the successful rebellion against the Batista government, has become commander in chief of the

Cuban armed forces. The United States has officially recognized the new regime.

The Urrutia government has promised to hold free elections within 18 months to 2 years. Until that time, Cuba is to be ruled by decree—that is, through orders issued by the President.

Meanwhile, there is some bickering among the groups that had opposed Batista. Certain of them worked independently of the Castro movement, and disagree with its aims. Hence, there may be more trouble ahead for the little island republic.

A Peek into Exciting World of Finance

At 10 every morning on a regular business day, a gong sounds in the New York Stock Exchange. At the signal, members of the exchange throng the floor to buy or sell shares of stock in the nation's industrial concerns. Another gong signals the closing of business for the day at 3:30 in the afternoon.

Between these hours, the floor of the stock exchange hums with excitement and activity. Special representatives on the floor, who are members of the exchange, do a brisk business in buying and selling shares. They carry out the orders of brokers (individuals who deal in stocks) across the nation. The brokers, in turn, carry out the wishes of their clients for whom the shares are bought and sold.

When stock sales are brisk and prices rise, there is said to be a "bull market" condition. When prices fall, the "bear market" takes over. For some months now, the market has been "bullish."

Much of the nation's trading in stocks occurs in New York City's financial center in and around Wall Street. Hence, the term "Wall Street" is often used to describe the stock market. There are other important exchanges in large cities across the nation, however.

More and more Americans are investing in stocks. There are now



ON TAIWAN, main island of anti-communist China, this girl has a type of grapefruit (right) and melons for sale. They're from her father's farm.

nearly 10,000,000 shareowners, representing all walks of life and every section of the nation.

An additional 100,000,000 Americans are indirect stockholders. They have invested their savings in pension funds, savings banks, life insurance companies, and other financial institutions. These organizations, in turn, have invested part of their funds in stocks.

Bob Hope's Moscow Tour Returns to TV

Television fans will again have an opportunity to peek into Russia with a famous guide, comedian Bob Hope, Sunday, January 25 at 4:00 p.m., EST. At that time, NBC will present a program filmed during Hope's visit to Moscow in 1958.

Sunday's program is a repeat telecast of a show presented last year. It includes colorful performances by famous Russian artists, and shows Bob Hope talking to some of the Soviet people he met on his tour. It is both hilarious and informative.

Win a Trip Abroad in United Nations Contest

Would you like to win a trip to Europe or Mexico? You may be the lucky winner of a trip abroad if you enter the Annual United Nations Student Contest. Other prizes include college scholarships and cash awards.

Every high school student in the United States and its possessions has a chance to win these prizes by taking a written examination on the UN in his own school next March 5. The 2 best examination papers from each school will be entered in state-wide competition. Two winners of each

state contest will then compete to determine the 2 big national winners.

The contest is sponsored by the American Association for the United Nations, together with many state and local groups. The AAUN has prepared a special study kit, which is now ready for use, containing the information to be covered in the forthcoming exam. One kit will be sent free to each school entering the contest. Additional kits are available at 50 cents each.

If you would like to take part in the contest, your teacher can obtain complete details for you by writing to the American Association for the United Nations, 345 East 46th Street, New York 17, N. Y.

Main Articles in Next Week's Issue

Unless unforeseen developments arise, the main articles next week will deal with: (1) Should we have a federal department of science headed by an official with Cabinet ranking? (2) Life in Egypt (joined with Syria in the United Arab Republic) after 6 years of rule under President Nasser.

References

"The New Europe," by Paul-Henri Spaak, *The Atlantic*, September 1958. Views of a sponsor of the Common Market.

"The Insiders Club," *Time*, November 3, 1958. Britain versus France on trade.

Pronunciations

Arturo Frondizi—är-tōō'rō frōn-dē'sī
Jean Monnet—zhān mawn-nē'
Paul-Henri Spaak—paul-ān-rē' spāk'
Robert Schuman—rō-bear shoe-mān

THE LIGHTER SIDE

On his return home from a meeting, the fond wife asked her husband, "How was your talk tonight?"

"Which one?" he retorted. "The one I was going to give, the one I did give, or the one I delivered so brilliantly to myself on the way home in the car?"



"I want you to know that I'm using an assumed name in signing this."

Small boy scowling over report card to dad: "Naturally I seem stupid to my teacher; she's a college graduate."

★
A man worries about what the future has in store, but a woman worries about what the stores will have in the future.

Husband: I passed Joe on the street yesterday and he refused to recognize me. Thinks I'm not his equal, I guess.

Wife: You certainly are his equal! He's nothing but a bluffing, conceited idiot!

★
A workman was perched on top of a ladder cleaning the clock in the city hall when a nosy fellow called up to him: "Whatcha doing—is something wrong with the clock?"

"No, no, I'm just nearsighted," he yelled back down.

★
Texas cattleman boasting to a visitor: "We don't brand them. We have them engraved."

Spectator: Have an accident?
Victim: No thanks, I just had one.



SEVENTEEN NATIONS of western Europe belong to OEEC, an organization for economic cooperation. However, 6 of these (shown in black) are linked in a new trade partnership. Eleven outside the partnership are now seeking agree-

ments to assure them equal trade rights with the other 6. Iceland, one of the 11-nation group, is in the North Atlantic and does not show on the map. Differences among the 17 have delayed reaching decisions in the past few months.

Western Europe Seeks to Settle Dispute over Trade

(Continued from page 1)

dispute. All the 17 countries are customers of U. S. industry. They provide most of the business that we do in Europe, and just about a third of all our trade around the world. We don't want to lose that trade.

Thirteen of the 17 lands—all except Sweden, Austria, Switzerland, and Ireland—work with us and Canada in the NATO defense alliance against communist expansion and aggression. The U. S. government doesn't want quarreling over trade to weaken NATO, the western world's biggest defense organization.

As the 17 nations prepared for talks in Paris last Thursday, there were some signs that differences would not lead to a crisis. All countries involved seemed eager to work out a compromise then, if possible.

Delegates at the Paris meeting realized that big changes in trading methods could not be made quickly. Even if the 17 failed to reach full agreement in Paris, there would be time later to iron out difficulties without greatly upsetting business for 1959. A year-long cooling-off period might, in fact, be a good thing. By 1960, it should be easier than now to judge the value of the new 6-nation partnership—which the 11 may join if they wish to do so.

The 6 partners, grouped in a European Economic Community, have a combined population of nearly 165,-

000,000 (as compared with 175,000,000 for the United States). Their area is about one-seventh that of the United States. The eventual goal of the 6 is to serve this large population with a *Common Market*. In other words, they want goods to be traded back and forth among themselves without tariffs—just as U. S. merchandise is shipped freely among our states for sale.

Members of the *Common Market* partnership hope to increase industrial production a great deal. They believe that the demand for goods among their big population will bring about an expansion of factories. By working together, the partners expect to create a higher standard of living than they have now.

The partnership actually began experimentally in 1951, when the 6 countries joined together in operating their coal mines and steel plants. They eliminated all tariffs among themselves on these 2 products. They shut down unprofitable mines. They have enabled customers within their borders to reduce their freight charges on steel and coal by buying what they need from the closest market. West Germany's southern cities, for example, may buy coal from nearby French mines. In the past, these cities bought coal from the more distant German Ruhr mines.

In 1957, the 6 partners set up Eura-

tom—European Atomic Energy Community. Its goal is to put atomic energy to work in power stations for running factories and serving homes. The United States is lending \$135,000,000 and supplying uranium, the atomic material, for the Euratom project.

This year, a third step is being taken to lower tariffs on automobiles, certain other manufactured goods, and some agricultural products. In the next 12 to 15 years, the plan is to wipe out *all tariffs on all goods* that the 6 nations trade among themselves.

U. S. of Europe? The most enthusiastic leaders of the trade partnership dream that it will one day become a United States of Europe, with other countries joining in. There has already been talk about choosing a U.S.E. capital—and even of building a whole new city, just as our U.S.A. built Washington, D.C., for a national government.

The partnership already has, in fact, the beginnings of a united government. There is an assembly of delegates from the 6 nations, a sort of parliament which meets in Strasbourg. It has a President, former French Premier Robert Schumann. There are cabinet groups which administer the coal-steel, Euratom, and Common Market plans. There is even a supreme court, which meets in Luxembourg. It can settle disputes involving decisions

made by administrative officials in the partnership.

Market at work, 1959. This year's reduction of tariffs on trade among the 6 nations is 10%. Quotas—the amount of goods that one of the partners may buy from the others—are also being raised. The tariff reductions and some other benefits are being offered to countries outside the Common Market, but with restrictions.

Automobiles offer a good example of the trade pattern. France will buy 30,000 or more cars from other lands in 1959. Most of these probably will be supplied by West Germans and Italians, who will be very happy to get this new business. The French will also profit. With tariffs reduced 10% on automobiles from Germany and Italy, the French buyer will pay less for cars from these countries than he did last year.

Britain, by being outside the market, has had a quota of about 1,500 cars a year for sale in France. The British probably will be allowed to increase sales in France by only 200 to 300 cars in 1959—a very small gain for the large automobile industry in that country. The British naturally don't like such a trade prospect.

More difficulties? While the present outlook is disturbing for Britain and other countries who are in the Organization for European Economic Co-operation (OEEC) but outside the

Common Market, their big worry is about the years ahead. They are afraid that, eventually, the 6 nations in the new partnership will trade a great deal more with one another—and a great deal less with outsiders, including themselves. In order to prevent this from happening, Britain and others are trying to broaden the 6-nation partnership. Their plan is to establish a new Free Trade Area, which would include all 17 countries in the Organization for European Economic Cooperation. The members would gradually remove all trade barriers among themselves.

While Britain is pushing this plan, she does not want to enter into the political-governmental ties that exist among the 6 nations which are now trade partners. Moreover, she wants to remain free in deciding what tariff rates to charge nations outside of the Free Trade Area. At present, she has advantageous trade agreements with India, Canada, and other members of the Commonwealth of Nations. She does not want to give these up.

Arguments over the Free Trade proposals are fiery, for many issues are involved.

A French view: "Under the Free Trade Plan, Britain would have special advantages both in Europe and with the Commonwealth of Nations. She could purchase goods from Commonwealth members and then sell them to the Free Trade Area without having to pay tariffs.

"Meanwhile, Britain is not willing to give other European nations the same trading benefits with the Commonwealth members that she receives from them.

"If Britain or any other nation joins the 6-nation partnership, she should agree to accept the decisions of the majority on tariffs and other matters."

British view: "The Common Market plan appears to be an attempt to squeeze Britain and a number of other countries out of the European markets. It gives great advantages to West Germany—Britain's leading industrial competitor on the continent.

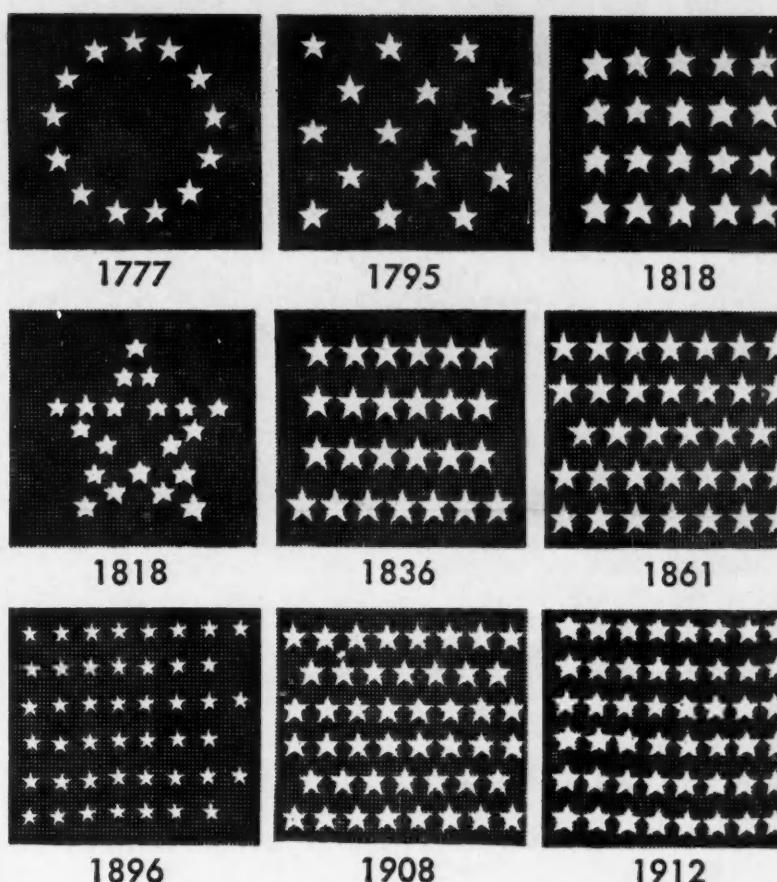
"The French should not talk about our Commonwealth privileges. Both French and Belgian territories in Africa will benefit under the Common Market plan, which calls for bringing them into the group gradually.

"Let's continue to trade under the Free Trade plan, and at the same time leave nations unhampered to develop business on their own with nations outside Europe. Later we may be able to promote greater political cooperation and unity in Europe, but not now. Europeans, with their many languages and prejudices, are not yet ready."

Americans generally believe in open competition for trade. Some U. S. businessmen believe that difficulties will arise in exporting goods to Europe under either the Free Trade or Common Market program. Others feel that a large free-trade area in Europe would benefit both the nations involved and us. They see great opportunities to profit by investing American money in European industries, and doing business on the spot. Many U. S. firms are already making goods in Europe, especially in the 6-nation market area.

Conclusion. Whatever decisions may be made at the present time, a true United States of Europe does not seem to be a likely prospect in the near future. Even the 6-nation market is not yet fully tested. Time will be required for it to show its merit.

—By TOM HAWKINS



STAR ARRANGEMENTS in 9 former U. S. flags. Note that in 1818, 2 different patterns were used. Both were acceptable then as our national emblem.

WASHINGTON POST

Old Glory and Her Past

NEXT July 4, a flag with 49 stars—the 49th for Alaska as our newest state—will become the official banner of the United States. It will be one of a number which have been used by Americans as this nation has grown.

The flags of Britain, France, Spain, the Netherlands, and other colonial powers, of course, were flown in various territories of our continent during early American history. Today, we think mostly of Britain, for its flag was used by the 13 colonies that revolted and brought the United States into existence.

An early step toward today's Old Glory was taken 183 years ago this month. Then—on January 1, 1776—the standard of the Continental Army was hoisted at Cambridge, Massachusetts. It had been used a few weeks earlier by colonial naval units, and it had the approval of George Washington as a symbol of unity of the 13 colonies.

This banner, generally called the Grand Union Flag, had the 13 stripes as we have them now. The colonists had not yet declared independence,

however, and many still hoped that war could be avoided. So, in place of stars, the blue field bore the royal crosses of the British flag—as an indication that relations with the "mother country" still existed.

The Revolution did come, and the emblem approved by Washington was used in early battles on land and at sea. Other banners were adopted as well. The Green Mountain Boys of Vermont had a banner with both stars and stripes in early fighting. Several banners bore a design of a rattlesnake with the words "Don't Tread on Me." One of these had a yellow background; on another, the snake was spread across a field of 13 stripes.

The Continental Congress, busy with the war, did not officially create the first Stars and Stripes until June 14, 1777—almost a year after the Declaration of Independence had been signed.

The original Old Glory used by Washington's army had the stars arranged in a circle so that none of the rebelling colonies could claim that "their star" was ranked above or below the others.

DELAWARE
PENNSYLVANIA
NEW JERSEY
GEORGIA
CONNECTICUT
MASSACHUSETTS
MARYLAND
SOUTH CAROLINA
NEW HAMPSHIRE
VIRGINIA
NEW YORK
NORTH CAROLINA
RHODE ISLAND

DRAWN FOR AMERICAN OBSERVER BY JOHNSON

OLD GLORY, with star added for Alaska, becomes the official flag on July 4. Names on stripes are for the 13 original colonies which became first states.

Of this flag, Washington said: "We take the stars from heaven, the red from our mother country—separating it by white stripes, thus showing that we have separated from her—and the white stripes shall go down to posterity representing liberty."

The banner with stars arranged in a circle was the design supposedly created by Betsy Ross. Whether Mrs. Ross actually made the first U. S. flag is still debated by historians, for conclusive documentary evidence is lacking.

There is a record that Old Glory was raised for the first time against the enemy in August 1777, at Fort Stanwix in New York. This flag was hastily put together. The white stars and stripes came from soldiers' shirts. A captain's coat supplied the blue. Flannels, donated by women of the garrison, were cut into the red stripes.

The Congress had not directed how the stars should be arranged, and the first official U. S. banner was not uniform. Instead of a circle of stars, some of the flags had stars in a staggered formation with alternate rows of 3 and 2 stars.

With the addition of Vermont as a state in 1791 and Kentucky in 1792, Congress directed that 2 stars and 2 stripes be added to the national emblem. Thus, Old Glory had 15 stars and stripes for a time, and it was this flag that inspired Francis Scott Key to write words of the *Star-Spangled Banner* while watching the British bombardment of Fort McHenry, Maryland, in 1814—during the War of 1812.

In 1818, the flag design was changed back to 13 stripes to represent the original states. The practice of adding only a star for each new state became the custom that we still follow. —By TOM HAWKINS

KNOW THAT WORD!

In each of the sentences below, match the italicized word with the following word or phrase which has the same general meaning. Correct answers are on page 8, column 4.

1. Russia appears determined to upset the *status quo* (stā'tüs kwō) in Berlin. (a) democratic process (b) existing state of affairs (c) present city government (d) transportation system.

2. The ambassador was *adept* (ă-dépt') in dealing with a dangerous situation. (a) expert (b) a failure (c) inexperienced (d) adaptable.

3. An *interim* (in'ter-im) government was in power during the emergency. (a) dictatorial (b) military (c) popular (d) temporary.

4. The State Department official traveled *incognito* (in-kōg'ni-tō) during much of the trip. (a) first class (b) in coaches (c) in a concealed identity (d) unaccompanied.

5. The judge impressed the court-room spectators as being extremely *sagacious* (sā-gā'shūs). (a) impartial (b) uninterested (c) wise (d) well-informed.

6. Students often *assimilate* (ă-sim'i-lāt) large numbers of facts. (a) absorb (b) forget (c) ignore (d) come into contact with.

7. *Dire* (dir) consequences were forecast if the bill was passed. (a) desirable (b) terrible (c) surprising (d) numerous.

Readers Say—

Many Americans are asking, "Why should we give aid to other countries?" These people should remember the time when the United States was fighting for its independence. Without the aid we received then from foreign countries, there might be no such thing as an independent United States.

We gained our independence with the important help of such men as Lafayette, DeGrasse, and Rochambeau, of France; Pulaski and Kosciusko, of Poland; and DeKalb and Von Steuben, of Germany.

JIM THOMAS,
Opp, Alabama



Too many people think that we can buy freedom, peace, and happiness. We must learn that many other things are necessary to achieve these ideals.

SHARON LEE CLARK,
Bozeman, Montana



If a nation is known for its friendliness and consideration for other peoples, it is likely to have the respect of the rest of the world.

DORTHA COLLIER,
Carpenter, Iowa



In the December 8 issue, a reader wrote that the Supreme Court is abusing its powers. No matter how complete the Constitution may be, some person or body must make final decisions interpreting it. We have the Supreme Court to do this. It cannot please all of the people all of the time, but we should be broad-minded and realize that these men are more capable than most of us in reaching sound decisions.

MALCOLM REA,
Amarillo, Texas



During the Berlin crisis, I think the United States has taken the wisest possible step in stating to Russia that we will fight for that city, if necessary, to uphold democracy. We have called



their bluff, and this makes other countries respect us more, knowing that we stand for a truly free world.

JERRY SILVER,
Chambersburg, Pennsylvania



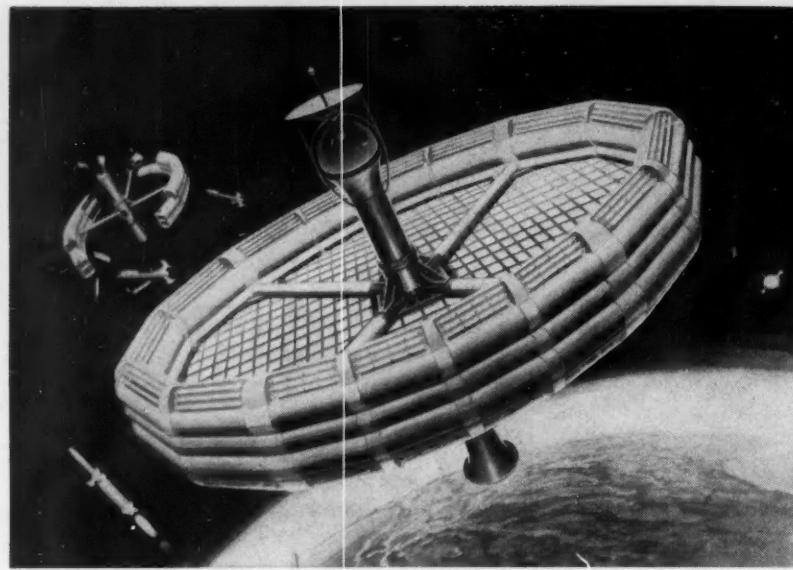
If the United States and Russia keep up the arms race, there is bound to be a war. If so, it could mean the end of the human race. The United States and the Soviet Union should agree on disarmament, with the right to inspect each other's territory from the air.

LARRY OSREDKAR,
Ashland, Wisconsin



Teen-agers like to feel needed, and to accept responsibilities. They would prove to be able voters if given the privilege.

MARY ANN BERKTOOLD,
Frontenac, Minnesota



NEXT STEP IN SPACE? Here an artist suggests how a manned space observatory might look. The saucer-shaped body of the craft is topped by a telescope tower. Crew quarters are located around the rim. Process of building a new station is shown at left. The disconnected pieces, rocketed into an orbit around the earth, could then be assembled by workers wearing space garments.

News Quiz

Expanding Population

1. Is the population of our 49 states plus the District of Columbia now approaching 123,000,000; 152,000,000; 176,000,000; or 208,000,000?

2. World population is increasing by about how many per year: 3,000,000; 22,000,000; 47,000,000; or 75,000,000?

3. Discuss some challenges created for the world as a whole by rapid expansion in the number of its people.

4. Mention some of the problems that Americans face as their numbers rise.

5. How has population growth been helping to keep our nation prosperous?

6. Discuss the rates at which different age groups in America are growing.

7. Which U. S. geographic regions are making the heaviest gains?

8. In recent years, what has been the trend with respect to: (1) the percentage of Americans living on farms, and (2) populations of suburbs around our big cities?

Discussion

1. If you live in a rapidly expanding city or community, what are some of the important problems arising because of its growth? Do you think these are being dealt with as well as they should be?

2. As to the swift population growth in America and the world—do you feel it brings greater advantages or disadvantages? Explain your position.

European Trade

1. What are the future prospects if western Europe agrees on ways to carry on trade? What may happen if it doesn't agree?

2. Why is the United States concerned with this problem?

3. How have the 17 nations in OEEC worked together in the past?

4. Explain the differences among the 17 now.

5. Briefly tell how the partnership of 6 nations has so far developed its Common Market.

6. Give a specific example of the benefits now enjoyed by the 6, but not fully available to the 11 nations outside the Common Market.

7. What trade plan for Europe is favored by Britain? Give her arguments.

8. How do the 6 nations feel on this issue?

Discussion

1. Do you think the 6-nation partnership hopes for building a United States of Europe can be made a reality? Why, or why not?

2. In your opinion, should European nations outside the partnership join it, or should they hold out for the plan presented by Britain? Give reasons for your answer.

Miscellaneous

1. What economic problems face Argentina, and what is she doing about them?

2. List some of the proposals President Eisenhower made to Congress in his State of the Union message.

3. Give one reason why Republican lawmakers chose Representative Halleck instead of Representative Martin as their House floor leader.

4. How does Hanson Baldwin feel that we stand in the missile-rocket race with Russia?

5. Tell something about the background of Jean Monnet and Paul-Henri Spaak.

6. Define: Wall Street; "bull market"; "bear market."

7. Why are Africa and certain European lands meeting in Ethiopia?

Answers to Know That Word

1. (b) existing state of affairs; 2. (a) expert; 3. (d) temporary; 4. (c) in a concealed identity; 5. (c) wise; 6. (a) absorb; 7. (b) terrible.

